

Session 12-02 a Regular Meeting of the Port and Harbor Advisory Commission was called to order by Chair Ulmer at 5:00 p.m. on February 22, 2012 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONERS CARROLL, HARTLEY, HOTTMAN, HOWARD, ULMER, WEDIN, ZIMMERMAN

STAFF: PORT AND HARBOR DIRECTOR HAWKINS
DEPUTY CITY CLERK JACOBSEN
CITY MANAGER WREDE

AGENDA APPROVAL

The agenda was approved by consensus of the Commission.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

None

RECONSIDERATION

There was no reconsideration scheduled.

APPROVAL OF MINUTES

A. January 25, 2012 Regular Meeting Minutes

The minutes were approved as presented by consensus of the Commission.

VISITORS

No visitors scheduled

STAFF AND COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

A. Port and Harbor Director's Report for February 2012

Harbormaster Hawkins reviewed his staff report.

1. Administration

Staff met with:

- R&M Consultants -Deep Water Dock Fender Replacement Engineering in Anchorage
- PND Engineers - Deep Water Dock Fending Repairs & Other Harbor Projects in Anchorage
- Corps of Engineers -East Harbor Expansion Final Report & Dredging Plan in Anchorage
- Cook Inlet Risk Assessment - Teleconference Meeting
- Alaska Clean Harbors - Teleconference Regarding Seward's Clean Harbor Application Review
- Happy Face Building Walk-Thru with City Manager, Public Works Director, Steiner's Northstar Construction, Harbor Staff, & Realtors
- Harbor Improvements Committee

- City Manager - Parking, Uplands leases, East Harbor Expansion, Corps Anchorage Meetings, & Project Manager
- Kim Nielsen, R&M Consultants - Deep Water Dock Project Survey
- Chip Cortwright, PND Engineers - Harbor Improvements, Deep water Dock, & Pioneer Dock Project Surveys
- Ron Phillips, FEMA - SOA Disaster Funding
- Staff Meeting
- El Pescadores Building Walk-Thru with City Manager, Public Works Director, Steiner's Northstar Construction, Harbor Staff, & Realtors
- Ginny Litchfield, ADF&G - Kachemak Bay Critical Habitat Area Permit for Barge Mooring Facility
- Jose Ramos - Harbor Land Lease
- ATS Alaska, Puffin Electric, Ice Plant & Harbor Staff, & IT - Crane Card Reader Meeting
- FEMA Disaster Aid Kick-off Meeting
- City Manager & Staff - Cruise Ship Dock 2012 Shuttle Service
- Brent Nichols, State Mitigation Manager - Meeting & Tour of Harbor, Possible Project Funding

During January and February, Administrative Clerk Dana Harrington completed an Administrative Assistant conference and a two-day Communications seminar in Anchorage, bringing back a wealth of knowledge to the office.

Operations

January and February focused the brunt of winter weather upon the Homer Harbor. A month-long cold spell produced consistent temperatures in the teens, heavy snowfall and significant ice congestion. For a period of three weeks, the channel entrance of the harbor was only navigable for larger commercial vessels, while small vessel traffic was entirely impeded. Operation Staff was tasked with snow removal from the float systems and public service announcements were issued regarding the need to vessel owners to clear snow/ice from vessels.

- Operations staff and maintenance staff worked together to clear ice from finger floats and pile hoops in order to prevent them from hanging up or submerging.
- The M/V Discovery continues weekly landings on the D/W/D.
- There are currently 60 vessels utilizing the Winter Metered Power program.
- Staff successfully prevented three, 30 foot vessels from sinking due to heavy ice/snow loads by installing emergency dewatering pumps.
- A Harbor Officer applied oxygen to a patient suffering from heart conditions at the AMHS ferry terminal.
- Operations staff provided the labor in the remodeling of the Harbormaster Office's conference room.
- Harbor officer Elton Anderson is currently training in the India Tango Marine firefighting course at the Freemont Maritime Academy in Seattle, Washington.

Ice Plant

The Ice Men are in full preparation mode as they gear up for the upcoming season. A few compressors rebuilt, the bait room cleaned and ready for service, ice room prepped with new marks and floor lines, and the machine room redone and sparkling, the Ice Plant will be making ice soon and ready for the halibut opener mid March.

- The Crane 7 Refurbishment project is still in the process of getting up and running.
- A project that slated to begin soon, replacing the zincs and repair/rebuild the drain system on the dock. This will start in the spring once zincs are ordered and progress throughout the summer season.

Port Maintenance

In addition to routine maintenance tasks around the Port, we have been busy with snow removal, especially the week of January 30. The increased snow fall has led to a number of equipment failures on snow blowers, the Sweepster, and the snow plow frame on Truck 426. All were repaired and returned to service in a timely manner. We're also glad to do our part to facilitate the increased dock and barge ramp traffic by sanding/plowing/ice removal.

- Maintenance assisted Harbor Officers in the dewatering of a 30 foot vessel to prevent it from sinking. It was a good collaboration of Team Port!

B. Lease Committee

Commissioner Zimmerman reported that the Lease Committee met last week to discuss a lease for Dockside II. The proposal was incomplete and the applicant didn't show up so it got put aside and the property might go out for RFP. The four leases that have been approved for signing by City haven't been completed for various reasons and Administration is working to get them done.

PUBLIC HEARING

None

PENDING BUSINESS

- A. Memorandum to the Port and Harbor Commission from Port Director Re: Parking Results & Review of 2011 Season
 - a.) Memorandum from Deputy City Clerk Re: Correction of Notice for Parking Results & Review of the 2011 Season and Adoption of the Motion Regarding Monthly Parking Fees

HOWARD/WEDIN MOVED TO APPROVE THIS MEMORANDUM TO RESOLVE IMPROPER MEETING NOTICE AND THEREBY ADOPT THE MOTION RECOMMENDING STAFF MOVE FORWARD ON THE MONTHLY PARKING FEES.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

- A. Harbor Improvement Cost Estimate Summary

Barbara Howard, Chair of the Port and Harbor Improvement Committee reviewed her power point presentation that was also included in the meeting packet. The presentation included information regarding:

- A brief history of the Committees work to date.
- Engineer's Estimated Project Costs for the five projects is \$12,468,000
- Alternatives for the harbor office building, including availability of two properties available for sale.
- Availability of matching funds.

- Total cost bond funds needed is approximately \$6,830,000.
- Percentage of user fee increases to support bonding and options for implementation.

Commissioner Hartley commented regarding how valuable the port is to Homer and asked what the total value of the facility is. City Manager Wrede responded the total assets are \$43 million based on the 2010 auditor's report.

Commissioner Wedin expressed concern about the reserve fund and thought a 3% fee increase was put in to place for the purpose of increasing the reserves. It was explained that the fee increase did not happen this year but that budget cuts were made in other areas to increase funding to the reserves. He appreciated tonight's report and the comparison information of other harbors; it seems to him that users could stand to pay a little more. He has a better understanding of the process.

HOWARD/HARTLEY MOVED THAT THE COMMISSION RECOMMEND TO THE COMMITTEE TO PROCEED WITH THE PREPARATION OF THE REVENUE BOND APPLICATION THAT INCLUDES ALL FIVE PROJECTS AND THAT THE APPLICATION IS PREPARED TO REQUEST \$6,000,000 FUNDING.

Commissioner Howard commented that we all recognize there is a lot of work to be done in the harbor and it appears the only practical way to fund the work is with a revenue bond. It would be onerous to pay as we go.

Commissioner Wedin commented that while he isn't opposed to asking users to pay more money he feels that a 13% increase for the bond repayment plus a 3% increase for the reserves will be difficult. He noted the indication of an incremental increase over a few years, but thinks the general user won't understand, and for some the increase will bankrupt them. He expects there will be a lot of public input about it during this process. He suggested if there is a way to make it better for general users early on, like putting a water spigot in near their float or something tangible, it will help with buy in.

Commissioner Zimmerman noted there has been discussion of possible ACOE or state funding for the harbor erosion. Since the harbor significantly benefit the city, maybe the city could fund the harbor office, and then defer the erosion control a little bit, and then we would fall into something we could afford.

Point was raised that charter fishing dollars are taxed at 7.5% on every dollar, there is no cap. Maybe it is another way to fund the harbor office or some of the facilities that payers of sales tax are benefiting from. There was discussion that it could be a possibility, but not something Council has discussed. Discussion ensued regarding the possibility of legislative or grants funding for the harbor office and the updated numbers have been given to Representative Seaton and also working with the lobbyist regarding the statewide general obligation bill being considered for port and harbor projects.

Commissioner Hartley commented in looking at the money we are asking to borrow it's important to remember the relation to the value of the properties we are dealing with and the value it brings in the community every year. It is important to see we are trying to maintain what we have.

VOTE: YES: HOWARD, HOTTMAN, ULMER, WEDIN, HARTLEY, ZIMMERMAN
Motion carried.

B. Land Allocation Plan

The Commission briefly discussed the recommendations from last year and the recommendation the Lease Committee proposed at their last meeting.

HOWARD/WEDIN MOVED TO CONTINUE TO HAVE LOTS 4-12 AND LOTS 19 AND 20 ON NORTHEASTERLY SIDE OF THE HARBOR, MAINTAIN SHORT TERM SMALL KIOSK AREA FOR LEASE, HAVE LOTS 9A AND 10A AVAILABLE FOR LEASE, AND SOLICIT RFP FOR LOTS 88-3.

There was brief discussion.

VOTE: YES: HOTTMAN, ULMER, WEDIN, HARTLEY, ZIMMERMAN, HOWARD

Motion carried.

INFORMATIONAL ITEMS

- A. Monthly Statistical & Performance Report
- B. Weekly Crane and Ice Report
- C. Deep Water Dock Report
- D. Pioneer Dock Report & Ferry Landings Report
- E. Allen Marine Shallow Dry Dock Handout
- F. Historical Photos of Harbormaster's Office from 1984
- G. 2012 Harbor Rates Comparison Spreadsheets
- H. Resolution 12-012 Adopting the Amended Summer Meeting Time
- I. Commissioner Attendance Schedule for City Council Meetings 2012

Harbormaster Hawkins reviewed the information about the Allen Marine floating dry dock. He encouraged the group to take a good look at the harbor rates comparison and let him know if they have any questions.

COMMENTS OF THE AUDIENCE

None

COMMENTS OF CITY STAFF

Harbormaster Hawkins advised that he will be out of the office for two weeks.

COMMENTS OF THE COUNCILMEMBER

None

COMMENTS OF THE CHAIR

Chair Ulmer commended the Port and Harbor Improvement Committee for their work.

COMMENTS OF THE COMMISSION

PORT AND HARBOR ADVISORY COMMISSION
REGULAR MEETING
FEBRUARY 22, 2011

Commissioner Hottman echoed Chair Ulmer's thoughts. He wonders if they could put the new harbor office adjacent to the floating dry dock.

Commissioner Hartley thanked the Commission for the progress tonight. There is a long way to go and they will keep working at it.

Commissioner Zimmerman commented that at the last Lease Committee meeting someone suggested the Committee may be redundant and unnecessary should be disbanded. It might be on their next agenda and if anyone wants to weigh in about it, they can let him know.

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 6:22p.m. The next regular meeting is scheduled for Wednesday, March 28, 2012 at 5:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____